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different degrees of strength of the effective desire of accumulation in different societies, and thus arrives at general concepts of the causes of the advance and decline of civilizations.

The evolution of instruments gives rise to division of employments, which, as they evolve, are successively devoted to the full utilization of instruments, yielding (apart from the price of new inventions) more remote or slower returns. With his discussion of the separation of employments Rae combines a critical analysis of money and credit, and from this he passes to a profound analysis of the part which invention plays in human development in general. Rae's analysis of social invention is followed by a study of economic invention. It is refreshing to find an economist, though he be a sociologist, who frankly recognizes that talent and genius have commercial value, in spite of the fact that the world secures from their works a consumer's rent greatly in excess of the price actually paid. The fact that he has a developed theory of invention gives Rae's doctrine of capital a point of distinct superiority over Boehm-Bawerk's. "The effects on instruments of the progress of invention are to produce improvements in them, and to carry them back to orders of quicker return," and so for the time being to advance rate of profit.

The treatise closes with a discussion of international trade, of waste or pure economic loss, and of the effects resulting from diversities of strength in the accumulative principle in members of the same society. Finally there are observations on the principle of the division of labor. Rae aptly urges that division of labor must not be considered a cause (a "prime mover"), but a result—that division of labor comes through antecedent progress of invention.

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The Lancashire Cotton Industry: A Study in Economic Development. By SYDNEY J. CHAPMAN, M.A., Stanley Jevons Professor of Political Economy and Dean of the Faculty of Commerce in the University of Manchester. Manchester: The University Press, 1904. 8vo, pp. vii + 309.

This volume is the result of a research carried on under the Stanley Jevons Studentship in Economic Research at the Owens College, Manchester (The Victoria University of Manchester), and

is the first volume of the Economic Series of that university. Apart from its individual merit, it is interesting as indicating the tendency of the younger professional economists to apply themselves to the study of concrete phenomena of the industrial organization. It cannot be doubted but that a closer study of industrial conditions will strengthen the scientific position of economic science, not only in the form of additional premises arising out of new correlations of facts, but also in the intensification of the human element, the importance of which is being recognized more and more.

Professor Chapman's book is essentially historical in treatment, though not without some interesting and valuable discussion of general principles. So lucidly does the author put his arguments that one is impressed with a feeling of regret that he failed to devote considerably more space to this side of his work. This conclusion is justified in that the book is not intended to be a mere collation of historical facts concerning the Lancashire Cotton Industry (so regarded the essay would have had to be condemned as incomplete), but an economic analysis of conditions associated with its development. However, the writer has produced a singularly readable work, amply justifying its subtitle as a study in "economic development," and forming a useful contribution to economic history and theory.

To describe briefly the make-up of the book, it may be said that, roughly speaking, it falls into five divisions: (1) the development of the cotton spinning and weaving industries from the domestic to the modern factory system, due regard being given to the mechanical side of this movement: the position and condition of the workers naturally receives special attention; (2) the relation of government to the control of the physical side of the industry; (3) the conditions of marketing; (4) the growth of trade unions and employers' associations within the industry, and last but not least, (5) a bibliography of authorities bearing upon the British cotton industry in early years. Professor Chapman's most important work in this volume lies, I am inclined to think, in the chapters dealing with the development in marketing, and with the growth of trade associations inside the cotton industry. Chapter VIII contains some pertinent remarks upon the relative merits of joint-stock organization and private management.

In dealing with the matter of marketing, the author points out, briefly but cogently, the difference between countries economically developed and undeveloped; how the resident representative of a

foreign firm is requisite both for the exciting of demand and also for eliciting the conditions of sound credit, functions which cannot be discharged so effectively by the ordinary travelers.

In dealing with this question of the promotion of trade outside of the producing country, he urges that the criticism of English methods in not placing more travelers in foreign markets is indiscriminating so far as the Lancashire trade in cotton goods is concerned. An explanation is to be found partially in the presence of foreign houses in Manchester. "Many travelers do not proceed from Lancashire to Greece and Spain and Germany, because Greece and Spain and Germany have come, in a sense, into Manchester." As he takes care to point out, this could hardly be the case except when an important industry happens to be highly localized.

The present relations of the cotton markets at Liverpool and Manchester are of considerable interest to the economist, and a somewhat detailed analysis of the situation with reference to future developments that may be anticipated, would have added considerably to the already great value of this part of the essay.

The author takes a favorable view of the influence upon prices of dealings in "futures," regarding them as a steadying element in the market. In connection with the corn market this seems to have been established fairly positively by the investigation of Messrs. Flux and Hooker into the effect upon corn prices of the Suspension of the Berlin Produce Exchange (1897-1900).

The bibliography is an important part of the work and is admirably done. It evidences the thoroughness with which the author has gone to the root of his subject.

Several interesting statistical tables are included in the volume, and sound judgment has been shown by Professor Chapman in refusing to overburden his text with masses of figures, detracting from the readability of the book. Nevertheless I am inclined to think that more statistical analysis would have been desirable and might easily have been provided for in appendices.

In this work as well as in his volume on foreign competition, Professor Chapman has addressed himself to what may be termed the material side of economics with an ability that makes one eager for the next production of his pen.

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